

WISCONSIN WORKS (W-2) CONTRACT AND IMPLEMENTATION COMMITTEE

201 E. Washington Avenue, GEF 1, Room D203
Madison, WI

July 19, 2002
10:00 AM - 2:00 PM

MINUTES

The W-2 Contract and Implementation Committee is the single point of contact for feedback to the Department of Workforce Development (DWD) on policy implementation related to W-2 agencies, and includes representation from the Wisconsin County Human Service Association (WCHSA), Urban Caucus counties, W-2 private agencies in Milwaukee County and the balance of state, and Tribal W-2 agencies.

COMMITTEE:

Members (Present = X)

Alternates (Present = X)

X Nancy Buckwalter, Co-Chair	DWD/DWS	X Kevin Huggins, Alter Co-Chair	DWD/DWS
X Teresa Pierce Co-Chair	Workforce Connections	X Tom Younger	Job Service – Marathon
Phyllis Bermingham	Marathon Co.	X Michael Coleman	UMOS – Region 5
Doris Green	OIC-GM	X Rodger Williams–by phone	OIC-GM
X Liz Green	Dane Co.		
X Connie Hendries	Manitowoc Co.		
X Deb Hughes	Southwest Consortium		
X Ed Kamin	Kenosha Co.		
X Shirley Kitchen	Dodge County		
Tina Koehn	UMOS		
X Kathi Madsen	Douglas Co.		
Barb Metoxen	Oneida Nation		
X Tom Prete	Forward Services Corp.		
X Marilyn Putz	Kaiser Group		
X John Rathman	Outagamie Co.		
Terri Rapp	Wood Co.		
X Rita Renner	YW Works		
X Shirley Ross	LaCrosse Co.		
X Jerry Stepaniak	MAXIMUS		
Cindy Sutton	Rock Co.		
X Michael VanDyke	Door Co.		

DWD STAFF

ATTENDEES:

Lee Mutchler, DWD/ASD
Shawn Smith, DWS/AO
Gary Dennis, DWS/BWP
Jude Morse, DWS/BPS
Ceri Jenkins, DWS/BWP

Paul Saeman, DWS/BWI
Edie Sprehn, DWS/BPS
Pat McDonnell, DWS/AO
Lynn Schmitt, DWS/BWP

GUESTS:

Erin Fath, DOA
Jane Batha, Concera Corp.
Beth Lyden, Workforce Connections
John Wilberding, MAXIMUS
Karyn Rotker, ACLU-WIF
Susan Wood, DHFS

Kelly Bablitch, Sen. Moore's office
Bob Martin, CARES
Susan Fergus, Racine Co.
Carol Medaris, WI Council on Children & Families
Kevin Loef, Kenosha

Recorder:

Kevin Huggins, DWD/BPS

Introductions

W-2 Contract and Implementation Committee members, alternates, DWD staff and guests introduced themselves.

Minutes Approval

There was brief discussion of the minutes of the June meeting. Deb Hughes had two revisions to the draft meeting notes from June.

The motion to approve was made by Michael Van Dyke and seconded by Liz Green. The motion carried.

Subcommittee Reports

Contract Issues Subcommittee – Jude Morse

The W-2 Contingency Fund issue paper, with DWD responses was discussed. Nancy Buckwalter indicated that Jude Morse would go over the changes to the document and indicated that DWD proposes having an open comment period through August 1st. Teresa Pierce expressed concerns with the timing (August 1st) since this issue needs to be resolved quickly, and also indicated that the document looked significantly different from the original document. She expressed concerns about the workgroups submitting issue papers as an effective process if DWD would be changing them so dramatically.

Jude went through the document explaining the changes and rationale for these decisions. Lee Mutchler provided some background on the draft document titled, "Options for Additional Funding of W-2 Benefits". He explained that the figures on this document do not include money given to the state relating to the High Performance Bonus (\$14.3 Million).

Jude continued explaining the revisions. Nancy talked about the document titled, "Unemployment Level (Number of Unemployed) in Select Areas – August 2001 to May 2002" as it relates to both unemployment rates and agencies forecasted to be greater than 120% in spending of their benefits allocation.

Deb Hughes asked if a consortium would be considered one agency for this purpose. Nancy indicated that she would need to verify this but believed the answer to be yes. In response to another question, Nancy noted that Milwaukee County/City would be considered as a whole for the unemployment figures and not breaking the rate out among the six regions.

Deb asked if Nancy could send out the 120% of benefits and 20% increase in Unemployment benchmarks for each agency – Nancy agreed to do with data starting in January 2002. Nancy explained that the straight-line projection charts are for agencies projected to exceed Benefits spending by 120% only.

Deb commented on three concerns with the document. She objected to 1) agencies taking on a 20% risk; 2) eliminating the reference and definitions of "Adequate services" on page 2, item 2; and 3) added the statement "meeting the Department's mandated performance standards on page 2, item 2.

Teresa indicated that the changes made by DWD on page 2 send a message that agencies need to decide between good services and saving dollars. Teresa also asked if the Right of First Selection (RFS), contained in the 2002-2003 contract, will be honored by the Department. Nancy indicated that no decisions have been made and that possibly more information on this will be shared at the August meeting.

Jerry Stepaniak indicated that the straight line charts indicate that, for Milwaukee, two agencies are projected to be over the 120%, two at 120% and two under 120%. He expressed concerns that by imposing the 120% requirement, the state would create an incentive to have agencies that spend over 100% of their benefits allocation, make inappropriate decisions to ensure reaching the 120% plateau. The question needing review and decision is does the contingency fund rationale only cover agency spending in excess of the 120%. The example is if an agency spent 118% of their allocation, the agency would assume the 18% and not be considered for the contingency fund. If another agency spent 121%, would the agency assume the first 20% and only 1% be considered for the contingency fund?

Rita Renner indicated that the 120% criteria should not be used for Milwaukee agencies since their CR dollars are so restricted in terms of who gets them and how the dollars are to be used.

Ed Kamin indicated that he feels that the 120% does not make sense because the criteria should only address the right to apply, instead of what the Department will approve.

Comments on the revisions should go to Nancy by August 1st, with a copy to Teresa Pierce.

RMS/CARS Replacement (moved ahead of other Subcommittee Reports on the agenda to accommodate staff schedules) – Kipp Sonnentag

Kipp Sonnentag talked about Random Moment Sampling (RMS) and that the goal is for DWD to get a federally approved cost allocation plan. The federal government has given DWD a deadline of January 1, 2003. The barrier is to obtain an approved methodology for shared costs. He stated that the RMS pilot is continuing and will be concluding on August 2nd. The results will be reviewed at that time to determine if RMS is the method DWD wants to use. DWD is meeting regularly with DHFS on this – at this point, nothing from the pilot shows DWD that RMS is not the way to go.

Kipp indicated that the Community Aids Reporting System (CARS) will continue for DHFS but DWD will no longer continue CARS. RMS software will be used instead and DWD/DHFS will need to work together on a coordination process for shared costs between both departments.

Kipp also indicated that the reasons for RMS differences between counties and private agencies is based on the OMB Circulars that govern each (A-122 for private agencies and A-87 for public agencies). Ed Kamin, indicating he was representing WCHSA with his statement, indicated that WCHSA had been told that after the pilot, and after the review of the results, there would be discussion including WCHSA before any decisions were made.

John Rathman indicated that at the Financial Managers meeting, a similar promise had been made that no decisions would be made without prior discussion involving several partners.

Kipp indicated that from all of the results obtained, RMS is DWD's only solution to this issue. Kipp indicated that the committee would be reconvened in September to discuss. Teresa and others asked why the group would be asked to meet if decisions are already made.

Liz Green indicated that although Dane County was piloting the RMS, she is surprised by the information presented today and indicated that she has already submitted her budget to the County for next year and this will complicate matters. She indicated that she can't go back to the County Board asking for additional county tax levy.

Subcommittee Reports (continued)

Performance Standards Subcommittee - Tom Prete

Tom Prete briefly discussed the Subcommittee's action list and also referred the Committee to the two issue papers being submitted for the Committee's consideration.

The first issue paper was the 1 case credit and Deb Hughes explained the recommendation of expanding the credit to other standards that use case counts.

Ed Kamin made a motion to accept the paper as presented. John Rathman seconded the motion. The motion passed.

Tom explained the Earning Gain Benchmark issue paper. Connie Hendries made a motion to accept the paper as presented with the recommendations given by the subcommittee. Liz Green seconded the motion. Motion passed.

Ed expressed concern that the issues about timeliness and completeness of extensions benchmark still exist but no information is available. A DWD representative stated that the database is still being revised and this is expected soon. John Wilberding indicated similar concerns relating to Customer Satisfaction in that the results are not coming out timely.

Program/Policy Development Subcommittee - Deb Hughes

Handout from the Subcommittee: Current Issues for Sub-Committee Action (see attached). Deb Hughes gave a briefing on the issues and their current status.

W-2/IM/FSET/CC (Child CARE) Coordination Subcommittee – John Rathman

John Rathman had a brief update for the Committee.

CARES Village Subcommittee - Liz Green

Liz Green recommended that Pat McDonnell and Heidi Hammes give presentations on CARES Village to the Committee at a future meeting.

Caseload Fluctuations Subcommittee - Paul Saeman (substitute for Phyllis Bermingham)

Paul Saeman reviewed his handout "Characteristics of the W2 Payment Caseload Increase" (see attached).

Issue/Discussion: DWS Service Delivery Initiative -Ron Hunt

Ron Hunt stated that because funding is not expected to increase and to be proactive, DWD and the Department of Commerce developed Build Wisconsin. Build Wisconsin is to address concerns about economic indicators for Wisconsin. Although unemployment is low, other economic indicators are not as favorable for Wisconsin. For example, over the past 15-20 years, Wisconsin's rate of increase in average wage has placed Wisconsin in the middle of the ranking of all states. However, when Wisconsin's rate is projected out another 20 years, Wisconsin would rank with the bottom few states. Another example is educational attainment. Wisconsin loses lots of the college graduates it produces and the historical rate of loss projected out over the next 15-20 years would result in Wisconsin ranking in the bottom few states.

Ron stated that to grow the Wisconsin economy, there need to be good inputs and that's the workforce. The outputs of the workforce grow the economy.

The three highest priorities of DWD are:

1. further engage people with disabilities in the workforce;
2. take W-2 to the next stage;
3. develop the workforce.

DWS delivers services through the Job Centers. In a historical context, when "effort" is diagrammed on the left vertical line of a graph and "outcome" is diagrammed on the lower horizontal line of the graph, there is a reverse J result on the graph. Analysts believe that we already have the "low hanging fruit" and now lots of effort would be required for more outcome.

Build Wisconsin seeks to recreate the J curve to maximize the outcomes of efforts.

DWD checked ideas out. John Collins, the former County Executive for Kenosha County, is working on this for DWS. He reviewed the system and interviewed folks from many perspectives around the state. Problems are identified in the "middle space" where organizations interface together. (The customer interface with the system functions well.) The variety within the system is a positive and was part of the intentional design. Issues across program areas are related more to larger employers than to customers, because customers generally don't travel from one program area to another. Another issue is about whether our funding sources understand what we do. The report from John Collins is expected to be issued on the DWD website under Build Wisconsin within the next week or two. Nancy Buckwalter offered to e-mail the Committee when the report is issued on the DWD website and to send out hard copies of the report, if requested. A Committee member noted that the Wisc.gov website has a link to Build Wisconsin.

DWD conducted a two-day listening session during late June in Appleton that included various perspectives and representatives. The information from Appleton is being collected and will then be disseminated throughout the state for comments. This will be done through four meetings held throughout the State. The locations and times of the four meetings will be widely broadcast. After the ideas are shared, comments made, budget issues will be reviewed. The ideas from these meetings will also be posted on the DWD website to give everyone the opportunity to be involved.

It was noted that the meeting in Appleton was by invitation only, however this was only to provide a base of discussion. The regional forums will allow discussion from everyone.

Ron noted that the National Governor's Association (NGA) has been invited by Wisconsin to sit alongside DWD to help DWD frame and hear comments. NGA also can point out relevant information from other states.

Each Committee member was asked for comments on this presentation. There was extensive discussion by the Committee. The discussion included: asking if there is a possibility that Wisconsin may be at a different place on the J curve; the importance of the meetings including others who were not invited to participate in the Appleton session; the comprehensiveness of the programs delivered by county social services/human services departments; the need to think outside the box and not have a design process that is too narrow; the need to check with multiple perspectives to verify information gathered; and the need to retain local program flexibility.

As clarification, Ron noted that Build Wisconsin is bigger in scope than W-2 and WIA.

Meeting was adjourned.

NEXT MEETING DATE: **August 16, 2002**
 10:00 AM
 201 East Washington Ave.
 GEF 1, Room D203
 Madison